

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

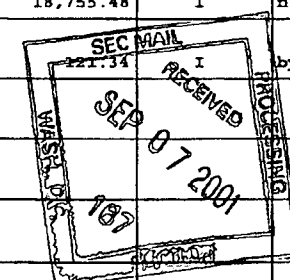
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility
Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940

☐ Check this box if no longer
subject to Section 16. Form 4
or Form 5 obligations may
continue. See Instruction 1(b).
(Print or Type Responses)

1. Name and Address of Reporting Person*			2. Issuer Name and Ticker or Trading Symbol			6. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
LAY, KENNETH L.			ENRON CORP. (ENE)			<input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER			
(Last) (First) (Middle)			3. IRS or Social Security Number of Reporting Person (Voluntary)			4. Statement for Month/Year			7. Individual or Joint/Group Filing (Check Applicable) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
1400 SMITH STREET						August 2001			
(Street)						5. If Amendment, Date of Original (Month/Year)			
HOUSTON, TEXAS 77002-7369									
(City) (State) (Zip)									
Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned									
1. Title of Security (Instr. 3)	2. Trans- action Date (Month/ Day/ Year)	3. Trans- action Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Owner- ship Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of In- direct Benefi- cial Owner- ship (Instr. 4)
		Code	V	Amount	(A) or (D)	Price			
Common Stock	08/21/01	M		68,620.00	A	\$21.56	2,766,997.97	D	
Common Stock	08/20/01	M		25,000.00	A	\$20.78	100,000.00	I	by Family Ltd. Part.
Common Stock							18,755.48	I	by 401(k) Pla- n (1)
Common Stock									by ESOP



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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly
* If the form filed by more than one reporting person, see Instruction 4(b)(v).

(Over)
SEC 1474 (7-96)

FORM 4 (continued)

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Non-Qualified Stock Option (right to buy)	\$20.78	08/20/01	M			25,000.00	12/31/99	12/31/04	Common Stock	25,000.00		87,330.00	I	by Family Ltd. Part.
Employee Non-Qualified Stock Option (right to buy)	\$21.56	08/21/01	M			68,620.00	12/31/99	12/31/01	Common Stock	68,620.00		0.00	D	

Explanation of Responses:

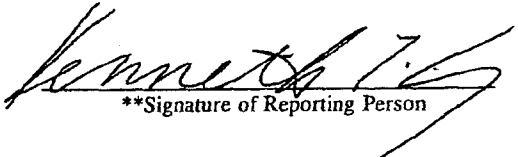
- (1) 401(k) plan uses unit accounting system which assumes that the Enron Corp. stock fund is fully invested in shares of Enron Corp. Common Stock (notwithstanding that the fund may hold some uninvested cash or shares of Enron Corp. Cumulative Second Preferred Convertible Stock of which each share is presently convertible into 27.304 shares of Common Stock). Reporting person is entitled to a distribution of the entire amount in shares of Enron Corp. Common Stock.

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed.

If space provided is insufficient, See Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays the currently valid OMB Number.

 9/5/01
**Signature of Reporting Person Date